higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)

PROJECT MANAGEMENT
NQF LEVEL 4

(3081034)

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09:00–12:00

This question paper consists of 10 pages.

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DEPARTMENT OF HIGHER EDUCATION AND TRAINING
REPUBLIC OF SOUTH AFRICA

NATIONAL CERTIFICATE (VOCATIONAL)
PROJECT MANAGEMENT
NQF LEVEL 4
TIME: 3 HOURS
MARKS: 150

INSTRUCTIONS AND INFORMATION

1. Answer all the questions.
2. Read all the questions carefully.
3. Number the answers according to the numbering system used in this question paper.
4. Start each section on a new page.
5. Use only a black or blue pen.
6. Write neatly and legibly.

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SECTION A

QUESTION 1

Various options are given as possible answers to the following questions. Choose the answer and write only the letter (A–D) next to the question number (1.1–1.10) in the ANSWER BOOK.

1.1 This type of project raises funds for a worthy cause, for example upgrading the Red Cross Hospital in Cape Town:

A Humanitarian project
B Community project
C Social project
D Developmental project



1.2 Facts accepted to be true, real or certain during the planning of a project:

A Project expectations
B Project assumptions
C Project exclusions
D Project inclusions

1.3 A method used to analyse problems:

A Communication
B Mitigation
C Problem tree
D Problem solving

1.4 … is about measuring actual progress against the project plan or indicators, detecting variance and taking corrective action.



A Progress control
B Project plan
C Project charter
D Project monitoring

1.5 A person who is involved in or may be affected by the activities or anyone who has something to gain or lose due to the activity of a project:

A Team member
B Stakeholder
C Customer
D Supporter

1.6 Breaking major deliverables into smaller, more manageable components to provide better control:

A Scope
B Decomposition
C Planning
D Deliverable



1.7 The … is ultimately responsible for the quality management of a project.

A project engineer
B project manager
C quality manager
D team member

1.8 Unwritten informal guidelines that guide employees on how to behave:

A Ethics
B Perseverance
C Code of conduct
D Norms

1.9 Process of examining the success of a project in relation to its purpose:



A Inspection
B Project evaluation
C Tracking
D Scheduling

1.10 A force that cannot be controlled by the parties to a contract that prevents parties from complying with the contract:

A Threat
B Constraint
C Risk
D Force majeure

(10 × 1) **[10]**

QUESTION 2

2.1 Indicate whether the following statements are TRUE or FALSE by writing only 'True' or 'False' next to the question number (2.1.1–2.1.5) in the ANSWER BOOK.



2.1.1 Memoranda are used to communicate externally between the project manager and the project teams.

2.1.2 Incremental project delivery is a rework scheduling strategy where time is provided for testing, revising and improving the system being implemented.

2.1.3 Contract management is needed when a project is big and outside contractors and suppliers must be used.

2.1.4 A risk is a negative event that can take place such as equipment being delivered on time.

2.1.5 Vendor meetings must take place at least once a week or every second week.

(5 × 1) (5)

2.2 Choose a term from COLUMN B that matches a description in COLUMN A. Write only the letter (A–L) next to the question number (2.2.1–2.2.10) in the ANSWER BOOK.

COLUMN A		COLUMN B	
2.2.1	When considering expenses, one of the major activities of a project manager is …	A	supplier contract
		B	numerical filing system
2.2.2	Key stakeholder with the authority to sign for resources and enforce decisions regarding the project	C	estimation
		D	tender
2.2.3	Documented and stored information pertaining to the continuous improvement suggestions for handling similar projects in future	E	invoice
		F	cost management
		G	sponsor
2.2.4	Documents filed according to the numbers appearing on it	H	project initiation
2.2.5	All aspects of project management related to obtaining goods and services from outside companies	I	lessons learnt
		J	budgeting
2.2.6	Process of identifying a project idea	K	agenda
2.2.7	Careful rough calculation of costs based on existing knowledge and historical data	L	communication plan
2.2.8	Schedule of communicating events to ensure that stakeholders are kept informed		
2.2.9	Formal offer to perform projects or deliver services		
2.2.10	Suppliers must provide a/an … and proof of delivery before payment can be processed.		

(10 × 1) (10)

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2.3 Complete the following sentences by writing only the missing word or words next to the question number (2.3.1–2.3.5) in the ANSWER BOOK.

2.3.1 Meetings conducted to discuss the status of a project are called …

2.3.2 Tangible outcomes or benefits of a project are called …

2.3.3 Provisions in a project plan used to lessen cost or scheduled risks are called …

2.3.4 A/An … is a sign that a risk event might occur.

2.3.5 Something that limits actions in a project is called a …

(5 × 1) (5)
[20]

TOTAL SECTION A: 30

SECTION B

QUESTION 3

DIGITAL CURRENCY PROJECT

The South African Reserve Bank (SARB) is eager to launch its own digital currency to allow people to walk into grocery stores and pay with digital currency that is safer to use than banknotes. Digital currencies are a new type of money that exists only in electronic form. Instead of printing banknotes, our central bank will issue digital currency, which can be transferred electronically. Much like cryptocurrency, blockchain technology is used to record transactions and the ownership of the currency. (The blockchain refers to a digital ledger of transactions that appears across an entire network of computer systems.) However, unlike crypto, the digital currency will be guaranteed by the central bank.

While central banks must embrace the digital economy and redefine their roles, the SARB will tread cautiously about how it moves forward. South Africa's central bank was one of the early innovators when it ran the Project Khokha Central Bank Digital Currency (CBDC) experiment. The SARB released a report on that experiment in April 2022. Through the experiment it brought in 90% of the banks that process daily payments in SA and processed 70 000 transactions within two hours.

Mr Khumalo, the public relations officer, said this proved to the SARB that Central Bank Digital Currency (CBDC) could be done on a wholesale level. However, it is another story for retail CBDC that can ultimately allow ordinary people on the street to walk into a shop and pay with a central bank-issued digital currency. It is likely that cash and bank cards will remain the dominant payment methods for some time. This system will be implemented very cautiously to ensure that all stakeholders using the digital currency are well educated about the online system using your computer, laptop or cellphone to do daily transactions without paying with banknotes.

There are currently 120 countries studying or experimenting with CBDC to see if their central banks can adopt them. Khumalo said there was no dispute that CBDC can solve some real problems that developing countries face, including financial inclusion and the exorbitant cost of cross-border remittances. Loyiso Kunene was appointed as the project manager to lead the digital currency project in 2023 and finalise it by 2025.

[Adapted from*: https://www.news24.com/fin24/markets/kganyago-on-digital-currency-reserve-bank-will-be-a-fast-follower-20230119*]

3.1 Briefly evaluate the role of the project administrator for the digital currency project. (2 × 2) (4)

3.2 Briefly discuss each of the following leadership skills that Mr Kunene should possess to successfully lead the digital currency project:

3.2.1 Ethical values

3.2.2 Nonjudgemental

(2 × 2) (4)

3.3 Give FOUR types of resources that may be used to complete the digital currency project. (4)

3.4 How should Mr Kunene explain the ground rules for this project's operations to his team? (2 × 2) (4)

3.5 An effective communication strategy for informing key stakeholders is necessary. The digital currency project's success or failure depends largely on the quality of communication within the project team and all key stakeholders. The smallest breakdown in communication can result in project failure.

3.5.1 Mr Kunene will have to report to the project team and stakeholders on the progress of the digital currency project.

Name FOUR types of meetings he will use. (4)

3.5.2 Explain the purpose of a schedule of activities on a project. (2 × 2) (4)

3.5.3 When should a status review meeting be conducted? (1)

3.5.4 Which FOUR items should be included in a weekly report? (4)

3.6 Throughout the project, proposed changes are documented and screened by the project manager. Necessary changes are investigated to determine the impact on the project if accepting or rejecting them. Changes can be either approved or rejected.

3.6.1 Explain the term *change request*. (1 × 2) (2)

3.6.2 Who can initiate changes to the digital currency project schedule? (1)

3.6.3 Explain the steps to develop a scope management system. (5)

[37]

QUESTION 4

4.1 It is important that a project manager should be prepared to face challenges in order to reduce the impact on the success of the project as very few projects run smoothly from the beginning to the end.

4.1.1 Why is it important that Mr Kunene identifies and documents potential problems within the project as soon as possible? (3 × 2) (6)

4.1.2 Give SIX examples of documents that a project manager can use to compile lists of activities in order to prioritise them. (6)

4.2 A project manager must ensure that a consistent quality control system is put in place and applied throughout the project.

4.2.1 Briefly explain the term *quality management system*. (1 × 2) (2)

4.2.2 What does quality control include? (4)

4.2.3 Name FOUR potential project constraints that may affect the digital currency project negatively. (4)

4.3 Explain the impact of good quality management on this project. (5)

[27]

QUESTION 5

Some retailers in South Africa, including Pick n Pay, have started accepting digital currencies, like bitcoin. However, cryptocurrencies remain very risky assets and are not central bank-issued currencies. In contrast, CBDCs (Central Bank Digital Currency) are 'smart money' issued by central banks that live only in the digital ecosystem.

In its frequently asked questions document on CBDC, the SARB warned consumers that crypto assets like bitcoin are privately issued and are not backed by any government or centralised authority. Users are exposed to risks as cryptocurrencies are susceptible to significant price fluctuations. It was made clear that while a feasibility study on the matter was done, it does not mean that this route will be pursued.

5.1 All projects carry an element of risk and the project manager needs to develop processes for identifying, measuring and controlling the risks.

5.1.1 State FIVE common sources of risks to the project team. (5 × 2) (10)

5.1.2 Explain TWO effective control measures that Mr Kunene can implement to control all elements and activities of the project in terms of the Occupation Health and Safety (OHS) Act. (2 × 2) (4)

5.1.3 Which document is prepared as the project is evaluated? (1)

5.1.4 Advise Mr Kunene on how to plan for emergencies. (3 × 2) (6)

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5.2 What are SIX requirements for an effective filing system? (6)

5.3 Differentiate between *verification* and *validation*. (2 + 2) (4)
[31]

QUESTION 6

In the final stage of the digital currency project, the project should be reviewed and lessons in the execution of the project documented.

6.1 Give TWO reasons why Mr Kunene must document the lessons learnt. (2)

6.2 Which FOUR steps must Mr Kunene follow to close down and hand over the project? (4)

6.3 Explain the use of a work breakdown structure (WBS) in the development of a schedule. (3 × 2) (6)

6.4 Planning for the digital currency project was not done properly.

Which THREE lessons could be learnt from this? (3)

6.5 Give FIVE reasons why a final product evaluation should be done on the digital currency project. (5 × 2) (10)
[25]

TOTAL SECTION B: 120
GRAND TOTAL: 150

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